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LISTING STATEMENT NO. 2592

LISTED JANUARY 4, 1973.

1,920,233 common shares without par value of which
168,193 shares are subject to issuance.
Stock Symbol RAP
Post Section 3.4

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

RAPID DATA SYSTEMS & EQUIPMENT LTD.

LA COMPAGNIE DE SYSTEMES ET EQUIPEMENT RAPID DATA LTEE

(Incorporated under the Companies Act of Canada
by letters patent dated February 6, 1962)

CAPITALIZATION

The following sets forth the capitalization of RAPID DATA SYSTEMS & EQUIPMENT LTD. — LA COMPAGNIE DE SYSTEMES ET EQUIPEMENT RAPID DATA LTEE and its subsidiaries as of June 30, 1972, in the case of Long-Term Debt and as of November 15, 1972, in the case of Capital Stock.

<u>Title of Class</u>	<u>Authorized</u>	<u>Outstanding</u>	<u>To be Listed</u>
Long-Term Debt (1) (including current portion of \$583,317):			
Company			
9% Notes, Series A due December 31, 1973 (2)	\$ 900,000	\$ 269,000	—
7% Convertible Subordinated Notes due September 6, 1974 (3)	\$ 200,000	\$ 125,000	—
8% Notes due August 1, 1973 (4)	\$ 750,000	\$ 750,000(4)	—
8¾% Subordinated Notes due June 27, 1977	\$2,750,000	\$2,750,000	—
Non-interest-bearing note repayable in quarterly installments of \$12,500, last payment due January 15, 1974	\$ 150,000	\$ 50,000	—
Term bank loan repayable in quarterly install- ments of \$15,000 commencing July 31, 1972, last payment due October 31, 1976	\$ 250,000	\$ 250,000	—
Equipment purchase obligations	\$ 15,714	\$ 15,714	—
Subsidiaries			
Debenture notes due December 31, 1974 (5)	£ 40,000	\$ 96,400	—
12% Debenture notes, repayable in semi-annual installments of £50,000 commencing December 31, 1973, last payment due July 8, 1975	£ 200,000	\$ 482,000	—
Debenture repayable £50,000 July 8, 1972, £75,000 December 31, 1972, and balance due July 8, 1973, with interest at 2% above United King- dom bank rate	£ 200,000	\$ 482,000	—
Equipment purchase obligations	\$ 35,680	\$ 35,680	—
6% note repayable in monthly blended install- ments of \$1,175 (U.S.), last payment due December 1, 1982 (6)	\$ 133,220(US)	\$ 110,929	—

<u>Title of Class</u>	<u>Authorized</u>	<u>Outstanding</u>	<u>To be Listed</u>
8½% note due June 1, 1976	\$ 200,000	\$ 200,000	—
8% note due October 1, 1976	\$ 100,000	\$ 100,000	—
Capital Stock:			
5,000,000 common shares without nominal or par value	5,000,000	1,752,040(7)	1,920,233

- (1) Long-term debt in foreign currency has been converted to Canadian dollars at the June 30, 1972, rate of exchange.
- (2) These notes are secured by a first fixed charge on all the issued and outstanding capital of R.D.M. Limited, a wholly-owned subsidiary, and a floating charge on all of the other assets and undertaking of the Company.
- (3) These notes are convertible at any time prior to 5:00 p.m., Toronto time, on September 6, 1974, into fully paid and non-assessable common shares without nominal or par value in the capital of the Company by applying the principal amount of such notes to the purchase price of such shares at a conversion price of \$3.25 per share.
- (4) On August 25, 1972, the Company placed privately a debenture of \$3,000,000 maturing July 31, 1975. \$750,000 of the \$3,000,000 was advanced by the cancellation of these 8% notes. The \$3,000,000 debenture bears fixed interest at the rate of 8% per annum and participating interest at the rate of 6.75% of the annual "Operating Profit" of the "Business" as those terms are defined in the debenture.
- (5) Interest is 2% above the United Kingdom bank rate with a minimum rate of 8% per annum.
- (6) Secured by machinery and equipment acquired at \$154,000(U.S.).
- (7) Outstanding shares shown do not include an aggregate of 168,193 shares reserved for issuance as set out under the caption "Application" (Item 1).

APPLICATION

1. **RAPID DATA SYSTEMS & EQUIPMENT LTD. — LA COMPAGNIE DE SYSTEMES ET EQUIPEMENT RAPID DATA LTEE** (the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 1,920,233 common shares without nominal or par value in the capital of the Company ("Common Shares"), of which 1,752,040 have been issued and are outstanding as fully paid and non-assessable, and the remaining 168,193 shares included in this application have been reserved as follows:

for issuance upon conversion of \$125,000 7% Convertible Subordinated Notes due September 6, 1974, convertible at \$3.25 per share	38,463 shares
for issuance upon exercise of outstanding Warrants at \$30 per share at any time up to the close of business on June 28, 1974	55,000 shares
for issuance upon exercise of employee stock options at \$6.50 per share on or before December 31, 1973	710 shares
for issuance upon exercise of employee stock options at \$6.00 per share on or before August 31, 1976	47,520 shares
for issuance upon exercise of employee stock options at \$8.50 per share on or before January 31, 1977	12,000 shares
for issuance upon exercise of employee stock options at \$13.50 per share on or before September 21, 1977	14,500 shares

HISTORY

The Company's initial operations consisted of the sale and distribution within Canada of "One Rite" accounting systems and "Bradma" addressing machines. In 1962 it purchased the inventory of Farrington-Bradma Limited and obtained from Adrema Ltd., both subsidiaries of the Farrington Manufacturing Company (a U.S. corporation), certain exclusive rights in Canada to sell and distribute office machinery and accessories manufactured by it. Bradma Limited, successor to Adrema Ltd., is now a subsidiary of the Company.

In 1964 the Company acquired from Roneo Limited (a United Kingdom company) all of the shares of its wholly-owned subsidiary Roneo Company of Canada Limited which had marketed the "Roneo" range of filing and duplicating equipment in Canada for many years. At the time of the acquisition, the name was changed to R.D.M. Limited and an exclusive franchise was granted to market Roneo products in Canada until June 30, 1974.

In 1964 the Company was granted an exclusive franchise to market in Canada a line of chemical transfer addressing equipment manufactured by Scriptomatic Inc., a U.S. corporation.

In late 1968 the Company was granted an exclusive franchise to market in Canada until June 30, 1974, Neopost postage meters and related equipment by Roneo-Neopost Limited, a subsidiary of Roneo Limited.

In 1969 the Company was granted an exclusive franchise to market in Canada until December 31, 1972, the products of Randomatic Data Systems, Inc., a U.S. corporation. Subsequently in October, 1969, the Company acquired the exclusive worldwide franchise (excepting the United States) to market until December 31, 1975, the products of Randomatic Data Systems, Inc.

On March 31, 1969, the Company purchased from Simcoe & Erie General Insurance Company ("Simcoe & Erie") all the undertaking, property and assets except cash, securities and accounts receivable of the Integrated Computer Services Division of Simcoe & Erie, including certain computer programs. A subsidiary company, Rapid Data Computer Services (Hamilton) Limited, was formed to take title to the purchased assets which assets were assigned by the Company to the subsidiary as of March 31, 1969.

As of January 1, 1970, the Company acquired all the issued and outstanding shares in the capital of Cellulose Products Corporation, a California corporation engaged in the business of manufacturing plastic cards, including credit, identification and other similar cards, and selling plastic cards, embossing services and imprinting equipment.

As of March 25, 1970, the Company acquired all the issued and outstanding shares in the capital of Haig Printing and Office Supplies Limited, an Ontario company, engaged in the business of manufacturing continuous business forms and other related business forms, of selling stationery and other office supplies, and of providing printing services.

On August 14, 1970, the Company incorporated a United Kingdom subsidiary, Rapid Data Systems International Limited ("International"), which is presently 61% owned by the Company and 39% owned by Hambros Bank Limited. In July, 1971, International acquired all the issued and outstanding shares of Bradma Limited (successor to Adrema Ltd.), a United Kingdom manufacturer of addressing, embossing and imprinting equipment.

On September 16, 1970, the Company was granted the exclusive distributorship to market in 26 countries, including Canada, the United Kingdom, France, West Germany, Austria, Italy, Belgium and The Netherlands until September 16, 1973, the Data Card Corporation series of high-speed embossing machines.

On January 14, 1971, the Company acquired the exclusive world rights for all countries of the world except Sweden and Switzerland to certain inventions relating to copy duplicators from Aktiebolaget Carl Lamm.

In May, 1971, the Company, together with Eaton Retirement Annuity Plan, established a new leasing company, Interlease Acceptance Limited ("Interlease") to provide financing for the Company's expanding postage meter operations. Interlease is 51% owned by the Company and 49% owned by Eaton Retirement Annuity Plan.

On November 19, 1971, the Company acquired the exclusive world rights to certain inventions relating to pocket-sized electronic calculators from Mos Calculation Limited — Calcul Mos Limitée ("Calcul"). On May 10, 1972, the Company acquired all the shares of Calcul, a federally incorporated company engaged in the business of designing electronic equipment, including calculators.

3. NATURE OF BUSINESS

OPERATIONS

The Company's present operations are:

- (1) Electronic Calculators: The Company has acted upon the view that there are 3 large markets for electronic calculators. These are: the existing adding machine market; the highly priced printing calculator market; and the newly created mass consumer market. Penetration in these markets is being effected by lower selling prices achieved by volume component purchasing and the design of smaller and more functional machines.

The electronic calculators are manufactured in several locations in Canada. The functions of designing, manufacturing, servicing and marketing are controlled from the Company's head office in Toronto. The calculators are marketed in the United States and Canada directly through major retailers and indirectly by regional sales representatives. At this time, the Company's calculators are being sold through over 1,300 different store groups in the United States. The Company is marketing its calculators internationally both directly and indirectly through distributors in various countries of the world. As a manufacturer, the Company will have provided, directly or indirectly, over 1,000 new jobs in Canada by the end of 1972.

- (2) International: The Company, through its United Kingdom subsidiaries Rapid Data Systems International Limited and Bradma Limited, has an United Kingdom based sales, service and manufacturing organization. This organization markets various types of business machines, including the Bradma line of its own manufacture, directly in the United Kingdom and indirectly through various distributorship arrangements in over 60 countries of the world.

International operations are conducted through the head offices of the Company's United Kingdom subsidiaries, Rapid Data Systems International Limited and Bradma Limited. Rapid Data Systems International Limited sells credit and identification equipment, including Data Card equipment. Bradma Limited manufactures the Bradma line of imprinting and embossing equipment and plastic cards and is responsible for pre-production engineering on the Company's copy duplicator.

- (3) Domestic: The Company is one of the largest independent office equipment distributors in Canada. It offers a broad product range and has nation-wide sales and service facilities provided by its own branches in major cities and a network of distributors.

Domestic operations and the operations of the Company's North American subsidiaries are conducted through the Company's head office in Toronto. The principal products distributed by the Company in Canada are addressing machines, credit and identification systems, postage meters and mail room equip-

ment, duplicating equipment and filing systems. The principal products and services of the Company's North American subsidiaries are computerized data processing services, manufacture and embossing of plastic credit and identification cards, manufacture of continuous forms and office supplies.

PRODUCT INFORMATION

ELECTRONIC CALCULATORS

The Company manufactures a range of electronic calculators. Models presently being marketed are as follows:

- Rapidman 800: pocket size 8-digit display, 4 functions (+, -, ×, ÷), fixed decimal to 2 places, over-flow indication, negative sign indicator, chain calculation and leading zero blanking.
- Rapidman 801: same features as the Rapidman 800 plus constant feature, floating decimal on entry and in resultant, error indication, power-on clear capability and clear entry key.
- Rapidman 1208: a light-weight desk-top calculator, with the same features as the Rapidman 801 utilizing larger displays.
- Rapidman 1212: a light-weight desk-top calculator with the same features as the Rapidman 1208 but including a 12-digit display with memory capability, fixed decimal from key board selectable from 0-5 positions and memory over-flow protection.
- Rapid Printer 2000: a light-weight desk-top calculator featuring a 12-digit plus 3 symbols print-out on paper tape, a high-speed printer (3 lines per second); other features include memory, automatic constant, floating decimal on entry and in resultant, fixed decimal selectable from 0-11 positions and chain calculations.

ADDRESSING MACHINES, CREDIT IDENTIFICATION SYSTEMS

The Company manufactures and sells the Bradma line of addressing and embossing machines for lower volume metal plate and plastic card use in mailing, credit and identification applications.

In addition, the Company sells the Data Card line of high-speed embossing equipment which from a magnetic tape input can emboss and encode cards at speeds ranging from 500 to 1,500 completed cards per hour.

The Company also manufactures and sells a full line of credit and identification and imprinting devices. The Company markets the Scriptomatic line of addressing equipment used mainly for mailing applications. This machine uses a tab card on which names and addresses are typed. These cards can be used through various models and addressing can be done at rates up to 7,500 pieces per hour.

POSTAGE METERS AND MAIL ROOM EQUIPMENT

The Canada Post Office regulations stipulate that prior to marketing all postage meters must be approved; in addition, postage meters must be leased rather than sold. The Company markets the Neopost line of postage meters and sells mail room equipment such as automatic letter openers, scales and folding machines. The Company leases its meters to customers for a period which is normally five years and then discounts such leases with Interlease Acceptance Limited. It is estimated that there are a total of 60,000 postage meters in use in Canada, a potential of 5,000 new machines each year and a replacement and upgrading market of about 15,000 units annually.

DUPLICATING EQUIPMENT

The Company distributes in Canada the Roneo line of duplicating and stencil cutting equipment. The continued consumption of stencils and ink by customers who have purchased the machines provides a substantial constant repeat business in this market area. There are some 50,000 machines of all manufacturers in use in Canada and a demand for approximately 3,500 new or replacement units per year.

FILING SYSTEMS

In Canada the Company handles the Roneo line and other filing systems. The line includes steel filing cabinets, lateral filing cabinets, blueprint files and visible records containers. Equipment sales result in a repeat business in supplies. The Company also sells the Randomatic Data Retrieval system, an electro-mechanical machine for selecting pre-punched cards from a random file by means of a push-button key board.

NORTH AMERICAN SUBSIDIARIES

COMPUTER SERVICES

The Company provides computerized data processing services for its own use and for major insurance companies through Rapid Data Computer Services (Hamilton) Limited, a wholly-owned subsidiary whose operations are based in Hamilton, Ontario.

MANUFACTURE OF PLASTIC CARDS

Cellulose Products Corporation, a California company, is engaged in the business of manufacturing plastic cards, including credit, identification and other similar cards. It also provides embossing services and markets the Company's imprinting devices.

The knowledge and technical know-how developed by Cellulose Products Corporation are now being used by Rapid Data Systems International Limited who have established a facility to manufacture and emboss plastic cards in the United Kingdom.

MANUFACTURE OF BUSINESS FORMS

Haig Printing and Office Supplies Limited, an Ontario company located in Don Mills, is engaged in the business of manufacturing continuous forms, selling stationery and other office supplies, job printing and allied trades.

EMPLOYMENT

The Company and its North American and United Kingdom subsidiaries employ over 1,000 people in its manufacturing and marketing activities.

4. INCORPORATION

The Company was incorporated as a private company under the Companies Act of Canada by Letters Patent dated February 6, 1962. Supplementary Letters Patent amending and varying the Letters Patent by reorganizing its capital and converting it into a public company are dated October 17, 1962, November 20, 1963, July 8, 1964, October 18, 1965, November 20, 1967, December 17, 1969, and December 18, 1969.

The original authorized capital of \$100,000 divided into 700 preferred shares of a par value of \$100 each and 3,000 common shares of a par value of \$10 each has subsequently been altered as follows:

- (1) The October 17, 1962, Supplementary Letters Patent (i) redesignated the 3,000 common shares of the par value of \$10 each as 3,000 Class "A" common shares of the par value of \$10 each, and (ii) confirmed a by-law which (a) sub-divided the 700 preferred shares of the par value of \$100 each into 7,000 preferred shares of the par value of \$10 each and (b) created 1,000 additional Class "A" common shares of the par value of \$10 each and 4,000 Class "B" common shares of the par value of \$10 each.
- (2) The November 20, 1963, Supplementary Letters Patent (i) redesignated the 7,000 preferred shares of the par value of \$10 each as 7,000 Class "B" preferred shares of the par value of \$10 each, and (ii) confirmed a by-law which created 7,500 Class "A" preferred shares of the par value of \$10 each and 2,000 additional Class "A" common shares of the par value of \$10 each.
- (3) The July 8, 1964, Supplementary Letters Patent confirmed a by-law which (a) changed all the 6,000 Class "A" common shares of a par value of \$10 each into 300,000 common shares without nominal or par value, (b) changed all the 4,000 Class "B" common shares of a par value of \$10 each into 200,000 common shares without nominal or par value, and (c) created 100,000 additional common shares without nominal or par value and 2,500 Class "C" preferred shares of the par value of \$20 each.
- (4) The November 20, 1967, Supplementary Letters Patent confirmed a by-law which (a) consolidated the 600,000 common shares without nominal or par value into 60,000 common shares without nominal or par value, (b) created 1,940,000 additional common shares without nominal or par value, (c) cancelled all the 7,500 Class "A" preferred shares of the par value of \$10 each, all the 7,000 Class "B" preferred shares of a par value of \$10 and 2,000 Class "C" preferred shares of a par value of \$20, all such shares having been issued and converted into common shares without nominal or par value, and (d) cancelled the 500 Class "C" preferred shares of a par value of \$20 each which had not been subscribed for or agreed to be issued.
- (5) The December 18, 1969, Supplementary Letters Patent confirmed a by-law which created 3,000,000 additional common shares without nominal or par value and 200,000 6% cumulative redeemable convertible preferred shares of the par value of \$7.25 each.

In the result, the authorized capital of the Company after the issue of the December 18, 1969, Supplementary Letters Patent consisted of 200,000 6% cumulative redeemable convertible preferred shares of the par value of \$7.25 each and 5,000,000 common shares without nominal or par value.

5. SHARES ISSUED DURING PAST TEN YEARS

Date of Issue	Type of Subscription	Number and Type of Shares	Consideration Per Share	Total Consideration	Purposes
Feb. 7, 1962	private	900 common of a par value of \$10 each	\$10.00	\$ 9,000	Initial capitalization
Feb. 7, 1962	private	210 preferred of a par value of \$100 each	10.00	21,000	Initial capitalization
Dec. 19, 1962	private	300 Class "B" common of a par value of \$10 each	10.00	3,000	Additional capitalization
		700 preferred of a par value of \$10 each	10.00	7,000	Additional capitalization
Jan. 7, 1963	private	30 Class "B" common of a par value of \$10 each	10.00	300	Additional capitalization
		70 preferred of a par value of \$10 each	10.00	700	Additional capitalization
Nov. 26, 1963	private	4,500 Class "A" common of a par value of \$10 each	10.00	45,000	Additional capitalization

<u>Date of Issue</u>	<u>Type of Subscription</u>	<u>Number and Type of Shares</u>	<u>Consideration Per Share</u>	<u>Total Consideration</u>	<u>Purposes</u>
Nov. 26, 1963	private	3,750 Class "A" preferred of a par value of \$10 each	\$10.00	\$ 37,500	Additional capitalization
Nov. 26, 1963	private	1,600 Class "B" preferred of a par value of \$10 each	10.00	16,000	Additional capitalization
Jan. 19, 1964	private	600 Class "A" common of a par value of \$10 each	10.00	6,000	Additional capitalization
Jan. 19, 1964	private	3,750 Class "A" preferred of a par value of \$10 each	10.00	37,500	Additional capitalization
March 23, 1964	private	330 Class "B" common of a par value of \$10 each	12.50	4,125	Additional capitalization
March 23, 1964	private	330 Class "B" preferred of a par value of \$10 each	10.00	3,300	Additional capitalization
May 8, 1964	private	300 Class "B" common of a par value of \$10 each	12.50	3,750	Additional capitalization
May 8, 1964	private	300 Class "B" preferred of a par value of \$10 each	10.00	3,000	Additional capitalization
July 8, 1964	private	1,900 Class "B" preferred of a par value of \$10 each	10.00	19,000	Additional capitalization
July 8, 1964	private	2,000 Class "C" preferred of a par value of \$20 each	20.00	40,000	Additional capitalization
During 1966 pursuant to option	private	20,000 common without nominal or par value	.50	10,000	Employee option
March 15, 1968	private	489,440 common without nominal or par value	.96	\$4,894.40	and the cancellation of \$468,040 of indebtedness
March 15, 1968	public	450,000 common without nominal or par value	.01	\$ 4,500	Additional capitalization
Nov. 8, 1968	private	24,000 common without nominal or par value	4.10	98,400	Working capital
Nov. 14, 1968	private	100,000 common without nominal or par value	5.10	510,000	Working capital
March 31, 1969	private	10,000 common without nominal or par value	10.00	Assets valued at \$100,000	Consideration in payment for the acquisition from Simcoe & Erie General Insurance Company of its Integrated Computer Services Division
Aug. 27, 1969	private	50,200 common without nominal or par value	6.00	\$ 301,200	Working capital
*Dec. 22, 1969	public	200,000 preferred of a par value of \$7.25 each	7.25	1,450,000	Working capital
Jan. 5, 1970	private	1,538 common without nominal or par value	3.25	5,000	Conversion of 7% Subordinated Notes
April 17, 1970	private	70,000 common without nominal or par value	5.00	Assets valued at \$350,000	Consideration for the acquisition of Cellulose Products Corporation
July 16, 1971	private	100,000 common without nominal or par value	6.00	\$ 600,000	Additional capitalization
May 10, 1972	private	100,000 common without nominal or par value	8.00	Assets valued at \$800,000	Consideration for the acquisition of Mos Calculation Limited — Calcus Mos Limitée
Jan. 31, 1972	private	10,840 common without nominal or par value	6.50	\$ 70,460	Employee options
March 24, 1972	private	3,000 common without nominal or par value	8.50	25,500	Employee options
March 24, 1972	private	11,880 common without nominal or par value	6.00	71,280	Employee options
April, June 1972	private	21,537 common without par value	3.25	69,995	Conversion of 7% Subordinated Notes

* From August, 1971, to May 24, 1972, 199,045 of the Preferred Shares were converted into 199,045 common shares without nominal or par value and the remaining 955 Preferred Shares were redeemed on May 24, 1972.

6. STOCK PROVISIONS AND VOTING POWERS

Each Common Share carries one vote at all meetings of Common Shareholders of the Company.

7. DIVIDEND RECORD

From December 22, 1969, to May 24, 1972, the Company had outstanding 6% cumulative redeemable convertible preferred shares with a par value of \$7.25 each (the "Preferred Shares"). A 6% dividend or \$.2175 per Preferred Share was paid semi-annually on all Preferred Shares outstanding during this period.

On or prior to May 24, 1972, 199,045 of the 200,000 outstanding Preferred Shares were converted into 199,045 Common Shares. The remaining 955 Preferred Shares were redeemed on May 24, 1972, pursuant to the terms of a Notice of Redemption dated April 20, 1972, at a redemption price of \$7.62 per share being the sum of (i) the amount paid up on each share (ii) an amount equal to all dividends accrued on each such share up to the Redemption Date (\$.07 per share) and then remaining unpaid, and (iii) a redemption premium of \$.30 per share.

8. RECORD OF PROPERTIES

The Company and its subsidiaries lease their respective premises. The Company has its head office at 129 Carlingview Drive, Rexdale, Ontario, and has branch offices at Québec City, Town of Mont Royal, Ottawa, Burlington, Winnipeg and Vancouver.

The subsidiaries share office space at the Company's head office except for

- (i) Rapid Data Computer Services (Hamilton) Limited which has its main office at Hamilton, Ontario;
- (ii) Haig Printing and Office Supplies Limited which has its head office at 44 Mobile Drive, Toronto, Ontario;
- (iii) Cellulose Products Corporation which has its head office at 5120 Firestone Place, South Gate, California;
- (iv) Rapid Data Systems International Limited which has its registered office at New Lane, Havant, Hampshire, England; and
- (v) Mos Calculation Limited which has its head office at 5858 Côte-de-Neiges Road, Montréal, Québec.

9. SUBSIDIARY COMPANIES

The Company operates directly and through subsidiaries. Particulars of the subsidiaries are as follows:

<u>Subsidiary</u>	<u>Date and Manner of Incorporation</u>	<u>Authorized Capital</u>	<u>Issued Capital</u>	<u>Percentage owned by the Company</u>
1. Rapid Data Systems International Limited	August 14, 1970 Certificate of Incorporation (United Kingdom)	174,400 Preferred Ordinary Shares with a par value of £1 each 265,600 Ordinary Shares with a par value of £1 each	174,400 265,600	— 100%
This subsidiary markets various types of business machines directly in the United Kingdom and indirectly through various distributorship arrangements on an international basis.				
2. Bradma Limited	March 31, 1971 Certificate of Incorporation (United Kingdom)	10,000 shares of £1 each	100	100% owned by Rapid Data Systems International Limited
This subsidiary manufactures the Bradma line of imprinting and embossing equipment and plastic cards and is responsible for pre-production engineering on the Company's copy duplicator.				
3. Cellulose Products Corporation	December 28, 1967 Certificate of Incorporation (California)	200,000 shares with a par value of \$1.00 each	200,000	100%
This subsidiary is engaged in the business of manufacturing plastic cards, including credit, identification and other similar cards, and selling plastic cards, embossing services and imprinting equipment.				
4. Creative Printed Plastics Co.	March 24, 1970 Certificate of Incorporation (California)	25,000 common shares with a par value of \$1.00 each	100	100% owned by Cellulose Products Corporation
This subsidiary engaged in the business of manufacturing and distributing plastic shelf flags, a super-market product identification aid.				

<u>Subsidiary</u>	<u>Date and Manner of Incorporation</u>	<u>Authorized Capital</u>	<u>Issued Capital</u>	<u>Percentage owned by the Company</u>
5. Haig Printing and Office Supplies Limited	April 26, 1950 Letters Patent (Ontario)	5,000 non-cumulative re- deemable preferred shares with a par value of \$10.00 each	4,928 issued and redeemed	—
		20,000 common shares without par value	20,000	100%

This subsidiary engages in the business of manufacturing continuous business forms and other related business forms, of selling stationery and other office supplies, and of providing printing services.

6. R.D.M. Limited	November 6, 1924 Letters Patent (Canada)	127,548 preferred shares of a par value of \$1.00 each	nil	—
		500 common shares of a par value of \$1.00 each	307	100%

This subsidiary holds the Roneo distribution franchise for Canada. These products are marketed by the Company.

7. Rapid Data Computer Services (Hamilton) Limited	March 25, 1969 Letters Patent (Ontario)	40,000 shares without par value	3	100%
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This subsidiary whose operations are based in Hamilton, Ontario, provides computerized data processing services.

8. Interlease Acceptance Limited	December 21, 1964 Letters Patent (Ontario)	40,000 shares without par value	40,000	51%
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This subsidiary is engaged in the business of providing financing for the Company's expanding postage meter operations.

9. Mos Calcula- tion Limited — Calcul Mos Limitée	November 17, 1971 Letters Patent (Canada)	2,000,000 shares without par value	540,005	100%
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This subsidiary is engaged in the business of designing electronic equipment, including calculators.

10. Rapidman Service Centre, Inc.	May 11, 1972 Certificate of Incorporation (New York)	200 shares without par value	100	100%
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This subsidiary is responsible for the servicing of the Company's calculators sold in the United States of America.

11. Rapid Data Inc.	May 21, 1965 Certificate of Incorporation (Delaware)	100 shares with a par value of \$1.00 each	6	100%
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This subsidiary is presently inactive.

12. Scriptomatic Canada Limited	June 26, 1963 Letters Patent (Ontario)	36,000 6% non-cumulative non-voting redeemable preferred shares with a par value of \$1.00 each	nil	—
		4,000 common shares without par value	14	100%

This subsidiary is presently inactive.

13. Rapidcal Limited	December 10, 1971 Articles of Incorporation (Ontario)	40,000 shares without par value	1	100%
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This subsidiary is presently inactive.

10. FUNDED DEBT

Reference is made to the table on page 1 under the caption "Capitalization" for particulars of the funded debt of the Company and its subsidiaries.

11. STOCK OPTIONS, WARRANTS

Reference is made to Item 1, "Application", for particulars of Common Shares reserved for issuance upon conversion of 7% Convertible Subordinated Notes, Warrants and Employee Stock Options. There are no other options, underwritings, sale agreements or other contracts or agreements of a like nature with respect to any unissued shares of the Company.

12. LISTING ON OTHER EXCHANGES

On June 19, 1970, the Company's issued Preferred Shares (all of which have subsequently been either converted into Common Shares or redeemed) and the Company's issued and reserved Common Shares were admitted to the list of the Montreal Stock Exchange.

13. STATUS UNDER SECURITIES ACTS

The Ontario Securities Commission has issued a receipt for a prospectus dated March 8, 1968, prepared in connection with an offering of 900 units, each unit consisting of \$1,000 principal amount of Series A Notes issued at a discount of \$5.00 per \$1,000 principal amount of Series A Notes and 500 Common Shares issued at the price of 1¢ per share.

The British Columbia, Alberta, Saskatchewan, Manitoba and Ontario Securities Commissions have issued receipts for a prospectus dated December 5, 1969, prepared in connection with an offering of 200,000 Preferred Shares.

The Securities and Exchange Commission has granted an exemption to the Company under section 12 (g) (3) of the Securities Exchange Act of 1934 to permit an "over-the-counter" market in the United States for the Common Shares.

14. FISCAL YEAR

The fiscal year of the Company ends on June 30 in each year.

15. ANNUAL MEETINGS

The by-laws of the Company provide that the annual meeting of the Company shall be held at the office of the Company or elsewhere in Canada as the board of directors may appoint.

The last annual meeting of the shareholders of the Company was held on January 7, 1972, at Room No. 3, The Royal York Hotel, 100 Front Street West, Toronto, Ontario.

16. HEAD OFFICE

The head office is located at 129 Carlingview Drive, Rexdale, Ontario.

17. TRANSFER AGENT

Guaranty Trust Company of Canada at its offices at 366 Bay Street, Toronto, Ontario, and 427 St. James Street West, Montréal, Québec, is the transfer Agent for all the shares in the capital of the Company.

18. TRANSFER FEE

No fee is charged on stock transfers other than the customary government stock transfer taxes.

19. REGISTRAR

Guaranty Trust Company of Canada at its offices at 366 Bay Street, Toronto, Ontario, and 427 St. James Street West, Montréal, Québec, is the Registrar for all the shares in the capital of the Company.

20. AUDITORS

The auditors of the Company are McDonald, Currie & Co., Chartered Accountants, 120 Adelaide Street West, Toronto, Ontario.

21.

OFFICERS

The Officers of the Company are:

<u>Name</u>	<u>Office</u>	<u>Home Address</u>	<u>Principal Occupation during Past Five Years</u>
Eric Alan (Clive) Raymond	President	20 Avoca Avenue Suite 1902-3 Toronto, Ontario	Chief Executive Officer of the Company
John C. Groves	Vice-President Calculator Division	1532 Merrow Road, Mississauga, Ontario	Vice-President, Calculator Division since November, 1972, and President of Cellulose Products Corporation since April, 1971; January, 1968, to December, 1970, Vice-President and a director of Kentcom Holdings Limited (computer graphics); prior to 1968, Regional Marketing Manager with Xerox of Canada Limited
David Edward Dillon	Secretary-Treasurer	P.O. Box 78 Campbellville, Ontario	Secretary-Treasurer of the Company since March 16, 1972; October, 1969, to March 16, 1972, manager administration of the Company; prior thereto, Vice-President and General Manager of Pyrofax Gas Limited (Toronto)

22.

DIRECTORS

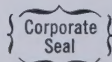
The Directors of the Company are:

<u>Name</u>	<u>Home Address</u>	<u>Principal Occupation during Past Five Years</u>
Eric Alan (Clive) Raymond	20 Avoca Avenue Suite 1902-3 Toronto, Ontario	Chief Executive Officer of the Company
Bryan Macintosh Benitz	355 St. Clair Avenue West Apartment 1605 Toronto, Ontario	Investment Dealer with and a Director of Wisener and Partners Company Limited
John Angus McKee	59 Inglewood Drive Toronto, Ontario	President of J. Angus McKee & Associates Limited; prior thereto, Vice-President of The Patino Mining Corporation
Derek H. Stodart	49 Plymbridge Road Willowdale, Ontario	Vice-President and General Manager of Canadian Trans-Lux Corporation Limited
John Warren Nevil Thomas	93 Bidewell Avenue Downsview, Ontario	Investment Dealer with and a Director of Midland-Osler Securities Limited
John C. Groves	1532 Merrow Road Mississauga, Ontario	Vice-President, Calculator Division since November, 1972, and President of Cellulose Products Corporation since April, 1971; January, 1968, to December, 1970, Vice-President and a Director of Kentcom Holdings Limited (computer graphics); prior to 1968, Regional Marketing Manager with Xerox of Canada Limited

CERTIFICATE

Pursuant to a resolution duly passed by its board of directors, RAPID DATA SYSTEMS & EQUIPMENT LTD. — LA COMPAGNIE DE SYSTEMES ET EQUIPEMENT RAPID DATA LTEE applies for listing of the above-mentioned securities on The Toronto Stock Exchange and the undersigned officers hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

RAPID DATA SYSTEMS & EQUIPMENT LTD.

— LA COMPAGNIE DE SYSTEMES ET
EQUIPEMENT RAPID DATA LTEEPer: "CLIVE RAYMOND",
PresidentPer: "D. E. DILLON",
Secretary-Treasurer

DISTRIBUTION OF COMMON STOCK AS OF NOVEMBER 15, 1972

<u>Number</u>						<u>Shares</u>
75	.....	Holders of	1 — 24	share lots	.....	836
206	.....	" "	25 — 99	" "	.....	9,332
351	.....	" "	100 — 199	" "	.....	36,770
159	.....	" "	200 — 299	" "	.....	32,280
60	.....	" "	300 — 399	" "	.....	18,260
50	.....	" "	400 — 499	" "	.....	20,297
105	.....	" "	500 — 999	" "	.....	61,643
215	.....	" "	1000 — up	" "	.....	1,572,622
<u>1,221</u>		Shareholders		Total Shares		<u>1,752,040</u>

